

# CALL2RECYCLE CANADA, INC. 2023 PROVINCIAL ANNUAL REPORT

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## PRINCE EDWARD ISLAND



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Call2Recycle Canada, Inc.

**Submitted to:** Ministry of Environment,  
Energy and Climate Action

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## 1. About Call2Recycle

Call2Recycle Canada, Inc. has successfully operated Call2Recycle®, a national and highly efficient consumer battery collection and recycling program, since 1997. In 2018, Call2Recycle became Prince Edward Island's approved producer responsibility organization for stand-alone and replacement single-use and rechargeable dry-cell batteries weighing less than five kilograms in accordance with the *Environmental Protection Act Materials Stewardship and Recycling Regulations*. In 2023, the Province approved Call2Recycle's latest provincial Battery Stewardship Program plan, to support the province's environmental protection objectives through 2028.

Call2Recycle safely collects, transports and recycles consumer batteries of all chemistries on behalf of 136 members—battery manufacturers and obligated producers in the province. Board members include representatives from battery manufacturers, distributors, retailers, and independent directors. For a complete list of the members of the Board of Directors, see [Appendix A](#) and see [Appendix B](#) for a complete list of Call2Recycle members in Prince Edward Island.

Thanks to a network of partners operating 126 active collection facilities across the province, Call2Recycle offers a convenient, efficient and transparent end-of-life battery management service for consumers and manufacturers alike. No battery collected through the program that can be recycled goes to landfill. The reclaimed materials are instead used in the manufacture of various products, such as new batteries, cookware and appliances, thereby contributing to Canada's circular economy.

Call2Recycle was the first program of its kind to receive Responsible Recycling (R2) certification and continues to maintain this recognition, confirming its reputation for excellence that has attracted longstanding partnerships with program members and collection partners.

This report outlines the program's performance in Prince Edward Island between January 1, 2023, and December 31, 2023, against the provincially approved Battery Stewardship Plan.

## 2. Executive Summary

In 2023, Call2Recycle reached another milestone, surpassing 45 million kilograms of batteries recycled nationally since its inception in 1997. Prince Edward Island residents contributed to the program's latest success as the province once again surpassed its previous year's performance for used battery collections. The number of batteries deposited at Call2Recycle drop-off locations in Prince Edward Island in 2023 increased by 8% over 2022, for a total of 45,572 kg. Single-use batteries comprised the

bulk of these collections, with more than 36,000 kg collected, compared to almost 9,000 kg of rechargeable batteries. At more the 45,000 kg, actual collections represent a recovery rate of 43%.

The Call2Recycle program operates through an extensive network of collection partners that includes local governments, depots, and retailers. Call2Recycle collection locations can be public (accessible by anyone) or private (limited to a specific constituency, such as a company's employees). There were 126 active collection facilities in the province in 2023, a slight increase from the 124 active sites in 2022. Active collection locations were generally evenly divided between public and private sites in 2023, and almost every Islander (97%) had access to a Call2Recycle public drop-off location within 15 kilometres of their home.

Helping to drive the province's collection results is Call2Recycle's extensive awareness and education campaign. A key message encouraging consumers to "Collect, Protect, Drop Off" their used batteries at least every three months was central to the program's national promotions this year. Call2Recycle also partnered locally with CFCY radio to sponsor the "Call2Recycle Summer Cruiser"—a season-long campaign that featured CFCY radio host Taylor Stewart as a Call2Recycle ambassador travelling the island, giving out prizes, encouraging collections and raising awareness. Call2Recycle also continued its longstanding partnership with the youth environment group Earth Rangers on the annual Battery Blitz contest. Twenty-two elementary schools participated—a significant increase from the 14 that took part in 2022—and collectively contributed more than 8,000 kg of used batteries to the province's total.

In December 2023, Call2Recycle Canada launched its new consumer brand, ***Recycle Your Batteries, Canada!*** which is designed to aid in name recall, drive understanding and boost collection results. The new brand includes a corresponding website that provides educational content for consumers on battery recycling best practices and safety.

Call2Recycle's annual IPSOS survey of Prince Edward Island residents reveals that Call2Recycle's messaging resonates with Islanders, as 86% of respondents had a strong awareness of the recyclability of household batteries. As evidenced by this year's collection results, significantly more respondents said they recycled at least some of their household batteries in 2023 compared to 2022 (up 8 points) and, on average, Islanders are recycling 69% of their batteries, up 4 points from last year.

Continuing its commitment to exceptional safety and transparency in 2023, Call2Recycle earned the R2v3 Certification, the electronics recycling industry's leading certification. This latest recognition confirms Call2Recycle's strict adherence to stringent requirements regarding safe, secure collection and processing, and proper downstream management of its battery collections. Call2Recycle also

achieved ISO 9001:2015 and ISO 14001:2015 certifications in 2023, further affirming its commitment to the environment and occupational health and safety.

### 3. Public Education Materials and Strategies

In December 2023, Call2Recycle launched its new consumer brand, ***Recycle Your Batteries, Canada!*** This consumer-friendly, call-to-action branding is designed to aid in name recall, drive understanding of the objective and boost collection efforts. A corresponding website, [recycleyourbatteries.ca](https://recycleyourbatteries.ca), launched that month providing educational content for consumers on battery recycling best practices and safety.

#### 3.1 Website & Social

The Call2Recycle website ([call2recycle.ca](https://call2recycle.ca)) logged 2,644 visits from Prince Edward Island in 2023, a 2% increase over 2022's numbers. The [Recycle Your Batteries, Canada!](https://recycleyourbatteries.ca) website that launched in December is anticipated to drive even more traffic with its consumer-focused content and collection facilities locator.

#### 3.2 Campaigns

Call2Recycle's battery recycling promotions included national television, outdoor and online campaigns as well as local initiatives. Central to the national campaign was the key message for consumers to "Collect, Protect, Drop Off" their used batteries at least every three months—the essential steps to safe used battery management. As part of the campaign, Call2Recycle displayed the logos of regional collection partners to educate consumers about where they can drop off their batteries. Other national promotions included Breakfast Television and Global TV Morning Show appearances by Call2Recycle's Vice President, Marketing, Communications and Innovation in recognition of National Battery Day (February), Earth Day campaigns in April, and activities centred around Waste Reduction Week and Circular Economy Month in October.

#### 3.3 Sponsorships, Partnerships and Events

Partnerships are integral to Call2Recycle's message reach and raising awareness of battery recycling in expected and unexpected places. This summer, Call2Recycle partnered with CFCY radio to sponsor the "Call2Recycle Summer Cruiser". The season-long campaign featured CFCY radio host Taylor Stewart as a Call2Recycle ambassador. Stewart drove the Call2Recycle Summer Cruiser to several events across the province, distributing branded hats and personal collection cubes to encourage residents to collect their used batteries at home. In his ambassador role, Stewart posted images and

videos on social media to continue the messaging online. The CFCY collaboration also included numerous collection events where residents received gift cards as a reward for dropping off their used batteries.

Through its partnership with the youth environmental conservation group Earth Rangers, Call2Recycle educated elementary school students and their families about used battery recycling and held its annual Battery Blitz collection competition. Twenty-two elementary schools across the province joined in the Battery Blitz, a significant increase from the 14 that participated in 2022. The competition launched with an Earth Rangers Assembly and concluded with more than 8,000 kg of used batteries being collected from students, teachers and their families. Eliot River Elementary School continued its contest dominance, generating the highest school collections for the fourth consecutive year and earning a \$3,000 cash prize.

## 4. Collections

### 4.1 Collection Facilities

Call2Recycle has an extensive network of partners in the public agency, business services, manufacturing, retail, and environmental sectors that serve as collection points for consumers to drop off their batteries. These collectors may be open to the public (e.g., a retailer) or they may have private collection boxes (e.g., for employees).

Call2Recycle aims to locate collection facilities where Prince Edward Islanders can easily and repeatedly deposit their used batteries. In 2023, the province's active collection facilities<sup>1</sup> increased slightly from 124 in 2022 to 126, generally evenly split between public and private collectors. Almost every Islander (97%) has access to a Call2Recycle drop-off location within 15 kilometres of their home, a distance established as the standard for access, and exceeding the program's accessibility goal of 95%.

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<sup>1</sup> An active facility has either joined the Call2Recycle program in the past 12 months, returned a full box or bulk shipment of batteries, or ordered a replacement collection box in that same period.

The following charts outline Call2Recycle’s public and private collection facilities and their distribution by region.

**2023 Active Collection Facilities by Access**

Public	62
Private	64
<b>Total</b>	<b>126</b>

**Collection Facilities per Municipality, Town, and City**

**GRAND TOTAL: 126 active collection facilities**

Municipalities	The Number of Collection Facilities
Bloomfield Station	1
Brockton	1
Cardigan	1
Crapaud	2
Dingwells Mills	1
Donagh	1
Georgetown	2
Hunter River	2
Morell	2
Mount Stewart	2
Murray Harbour	1
Murray River	1
New Annan	1
Pinette	1
Saint Peters Bay	1
Slemon Park	4
St Louis	1
St. Peters Bay	1
Vernon Bridge	1
Wellington	3
West Covehead	1
<b>TOTAL</b>	<b>31</b>

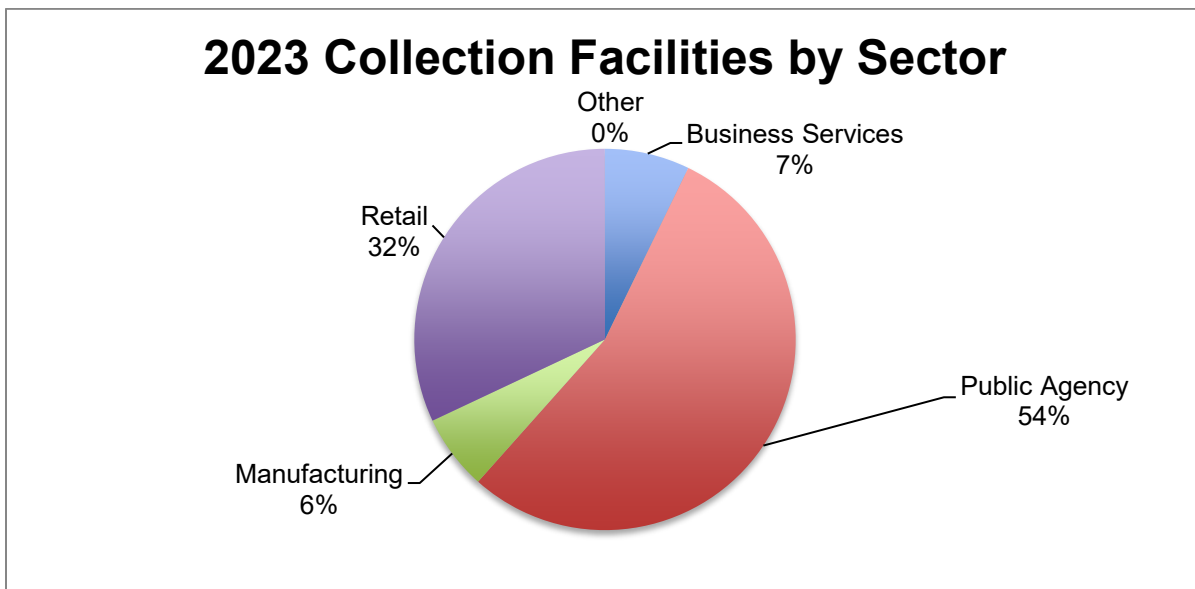
Towns	The Number of Collection Facilities
Alberton	2
Borden-Carleton	2
Cornwall	5
Kensington	6
Montague	5
New London	1
North Rustico	1
O’Leary	3
Souris	5
Stratford	5
Tignish	2
<b>TOTAL</b>	<b>37</b>

Cities	The Number of Collection Facilities
Charlottetown	44
Summerside	14
<b>TOTAL</b>	<b>58</b>

Although the overall number of Call2Recycle collection sites increased only slightly, there were shifts in the collection facility sectors to maximize collections. Business services locations decreased by nearly half, while public agency and manufacturing locations increased by double digits. Public agencies and retailers continue to be the largest cohorts of collectors, as noted in the table below.

**2023 Active Collection Facilities by Sector**

Sector	2023	2022	Change (#)	Change (%)
Business Services	9	17	-8	-47%
Public Agency	68	58	10	17%
Manufacturing	8	7	1	14%
Retail	40	39	1	3%
Other	1	3	-2	-67%
<b>Total</b>	<b>126</b>	<b>124</b>	<b>2</b>	<b>2%</b>



**4.2 Performance Results**

Call2Recycle monitors its battery collections in Prince Edward Island against its provincially approved battery stewardship plan. Once again, collections across the province surpassed the previous year’s performance. Batteries deposited through the Call2Recycle program grew by 8% in 2023 for a total of 45,572 kg.

Single-use battery collections continue to outpace rechargeables, with four times as many single-use batteries dropped off with the program. Growth in single-use collections also outpaced rechargeables



this year at a rate of 3:1. The following chart provides a year-over-year comparison of battery collections by weight and the subsequent chart outlines collections per capita.

### Call2Recycle Collections by Weight (kg)\*

Type	2023	2022	% Change
Single Use (Primary)	36,641	33,668	9%
Rechargeable	8,932	8,679	3%
<b>Total</b>	<b>45,572</b>	<b>42,347</b>	<b>8%</b>

On a per capita basis, collections grew to 0.26 kg per person from 0.24 kg this year, the highest in the country for the Call2Recycle program.

### Prince Edward Island Battery Collections per Capita

Type	2023 Collections	2023 Collections Per Capita*
Single Use (Primary)	36,641	0.21 kg
Rechargeable	8,932	0.05 kg
<b>Total</b>	<b>45,572</b>	<b>0.26 kg</b>

\*Based on an average population of 172,841, calculated across the four quarters reported in the [province's reported population](#) for 2023.

### 4.3 Collections by Chemistry

Rechargeable and single-use batteries contain different components and even within the two categories, there are different types of batteries. Call2Recycle tracks the various battery types that are collected and recycled. In 2023, among the rechargeable battery collections, Lithium-Ion batteries—which are commonly used in consumer electronics, toys and power tools—were most frequently deposited and had the highest growth in year-over-year collections of all battery types. Within the single-use battery category, Alkaline batteries made up 98% of collections and grew at a year-over-year rate of 9%.

### Rechargeable Battery Collections by Chemistry (in kg\*)

	2023	2022	% Change
Ni-Cd	1,795	1,859	-3%
Ni-Mh	876	946	-7%
Li-Ion	4,056	3,402	19%
SSLA	2,205	2,472	-11%
<b>Total</b>	<b>8,932</b>	<b>8,679</b>	<b>3%</b>

## Single-Use Battery Collection by Chemistry (in kg\*)

	2023	2022	% Change
Alkaline	35,761	32,808	9%
Lithium	880	858	3%
Mercury	0	2	-100%
<b>Total</b>	<b>36,641</b>	<b>33,668</b>	<b>9%</b>

## 4.4 Recovery Rate

In most Canadian provinces, recovery rates are calculated by dividing the total battery weight collected in the province in the reporting year by the total weight sold in the province, expressed as a percentage. Battery units sold into the province, as reported by Call2Recycle members through remittance of Environmental Handling Fees (EHF), are converted into weights based on industry standards.

To better address the variability in battery lifespan and availability for collection, beginning this year, the recovery rate is reported based on the weight collected into the market for the reporting calendar year divided by the weight sold into the market based on a three-year rolling average. The formula for recovery rate calculation is therefore:

$$\text{Recovery rate} = \frac{\text{Batteries Collected in 2023}}{\text{Average of sales into the market for 2020, 2021, 2022}}$$

2023 Used Batteries Collected in PEI (kg)	2020 - 2022 PEI Battery Sales Average (kg)	Recovery Rate Actual
45,572	106,752	43%

## 4.5 Collection Process

**Collection**

The Call2Recycle program process starts by providing consumers with easy access to collection sites to enable maximum participation in the program. Through collection partners across the province, we offer consumers convenience and a simple drop-off process. Our collection partners use one of two collection methods: the box program or the bulk program. Box program sites receive Call2Recycle's fire-retardant bag-and-drop, seal-and-ship collection boxes free of charge. Each box holds up to 30 kilograms of batteries. Our bulk program caters to facilities that generate large quantities of batteries for recycling (250 kg minimum per shipment). Call2Recycle covers the cost of shipping for both the bulk and box programs.

## Shipping and Sorting

Batteries collected through Call2Recycle in Prince Edward Island are sorted and consolidated mainly by Laurentide in Quebec. At the facility, the contents are weighed and sorted according to battery chemistry, and then shipped to the appropriate recycling processors based on their chemical composition.

Call2Recycle operates in accordance with intra- and inter-provincial shipping and transportation standards established by Transport Canada, Environment Canada, the Ministry of Environment, Energy and Climate Action and all other provincial environment and transportation ministry standards.

To bolster safety while handling and transporting batteries in Canada, all of Call2Recycle's battery collection containers include an innovative, flame-retardant liner. The liner provides an extra layer of protection from any residual charge that end-of-life batteries might still have during the collection, transportation, and recycling process.

## Processing

Call2Recycle has partnerships with various processors to ensure optimal performance. The program seeks local processing partners wherever possible to reduce our transportation footprint. All processing facilities use the latest and proven-effective thermal, mechanical, and chemical processes to recover materials such as nickel, iron, lead, cadmium, and cobalt.

## 5. Recovered Product Management and Materials Processing

Call2Recycle is steadfastly committed to operating the safest, most efficient, transparent and socially responsible battery collection, transportation and recycling program in Canada. After becoming the first program of its kind to achieve Responsible Recycling (R2) certification in 2014, Call2Recycle again attained the latest R2 Standard—R2v3 Certification—in 2023. This is the electronics recycling industry's leading certification and confirms Call2Recycle's strict adherence to stringent requirements regarding safe, secure battery collection and processing, and proper downstream management of its battery collections, which includes not exporting to developing countries or sending materials to local landfills. Call2Recycle also achieved ISO 9001:2015 and ISO 14001:2015 certifications in 2023, further affirming its commitment to the environment and occupational health and safety.

Call2Recycle reports on Recycling Efficiency Rates (RER) by chemistry to demonstrate how much material is reclaimed from each type of battery for use in secondary products. All of Call2Recycle's sorters and processors use the latest and most effective techniques for reclaiming materials and, whenever possible, Call2Recycle uses local service providers to minimize its environmental footprint.

In 2023, Call2Recycle exceeded RER targets for all battery chemistries but one, Nickel Cadmium (NiCd) batteries. In 2022, Call2Recycle ceased sending Ni-Cd batteries to Europe in favour of using North American-based processors to reduce the program’s environmental footprint. While the RER from the previous processor was slightly higher, Call2Recycle’s new processors have the best RER rates in North America and the emissions produced by transporting batteries to processors that are closer to the collection point are far less than what was created by recycling the batteries overseas.

The 2023 RER for all battery chemistries collected by Call2Recycle under the approved EPR plan is outlined in the following chart. Call2Recycle has updated its RER calculation chart to be consistent with industry standards and best practices.

**Recycling Efficiency Rate for 2023**

Battery Type	Rechargeable Battery Chemistry									Primary Chemistry				
	Ni Cd		Li ION		Ni MH		SSLA			Alkaline			Lithium	
Metals	73%	72%	78%	63%	77%	92%	79%	79%	65%	21%	21%	27%	18%	0%
Plastics	0%	0%	0%	0%	0%	0%	9%	9%	8%	5%	2%	0%	0%	0%
Electrolytes / Secondary Recovery	0%	0%	0%	0%	0%	0%	4%	4%	0%	57%	72%	0%	0%	0%
Black Mass	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	54%	62%	0%
<b>Total Material Recovery (%)*</b>	<b>73%</b>	<b>72%</b>	<b>78%</b>	<b>93%</b>	<b>77%</b>	<b>92%</b>	<b>92%</b>	<b>92%</b>	<b>73%</b>	<b>83%</b>	<b>95%</b>	<b>81%</b>	<b>80%</b>	<b>0%</b>
Unrecovered material (%) / Not-Recovered for use in Secondary Market During Recycling Process: Water, Oxygen, Plastic, Organics.	27%	28%	22%	7%	23%	8%	8%	8%	27%	17%	5%	19%	20%	100%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

\* Recovery rates provided by processors.

Call2Recycle’s performs regular due diligence to ensure that the program and its contracted service providers operate in accordance with the highest environmental standards. Call2Recycle recently discovered that its contracted lithium primary battery processor was not meeting these standards which has impacted the recycling efficiency rate for this battery chemistry. Call2Recycle is developing a corrective action plan, including identifying alternate processors who can meet the program’s environmental standards. Multiple solutions are actively being investigated and the program will keep the ministry apprised of developments.

## 6. Consumer Awareness, Research and Development

Each year, Call2Recycle commissions IPSOS to conduct a survey of Prince Edward Island residents to assess their battery recycling awareness and habits. Four hundred Islanders participated in the most recent survey, conducted between January 5 and February 1, 2024.

The survey revealed that Call2Recycle’s messaging is reaching island residents, who, at 86%, have a strong awareness of the recyclability of household batteries. In particular, there were significant improvements in awareness levels related to rechargeable batteries. Respondents were more certain than previously that rechargeable batteries can be recycled (up 7 points). Almost half of PEI residents (47%) are also familiar with the phrase, “Collect, Protect, Drop Off”, suggesting that Call2Recycle’s advertising programs are resonating.

Demographically, there are some gaps in awareness by age. Younger residents (aged 18-34) are less likely than those aged 55+ to think that batteries can be recycled. Older Islanders’ confidence in battery recyclability is very strong, however, at close to 9 out of 10 individuals (87%).

As evidenced by this year’s collection results, PEI residents are increasingly recycling their batteries. Significantly more respondents reported recycling at least some of their household batteries in 2023 compared to 2022 (up 8 points) and, on average, Islanders are recycling 69% of their batteries, up 4 points from last year. One in ten Islanders admitted to throwing some of their used batteries in the garbage in 2023. Among this group, 54% cited recycling inconvenience as the reason, while 22% said that they did not know where they could drop them off. Promotions in 2024 of Call2Recycle’s new consumer website and the new *Recycle Your Batteries, Canada!* brand should contribute to educating these individuals and shifting their battery disposal habits.

Consumer Awareness and Recycling Incidences Targets <sup>2</sup>	2023 Actual
Prince Edward Islanders who are aware that consumer batteries can be recycled (%)	85%
Prince Edward Islanders who recycle some or all of their consumer batteries in a calendar year (%)	65%

## 7. Program Funding

Call2Recycle collects an Environmental Handling Fees (EHF) on each unit of primary batteries, rechargeable batteries and batteries sold with or in portable flashlights and spotlights, e-toys, and smoke and carbon monoxide detectors in Prince Edward Island. EHF’s are determined using a

<sup>2</sup> Based on a sample of 400 residents of Prince Edward Island surveyed online via the Ipsos I-Say panel from January 5<sup>th</sup> to February 1<sup>st</sup>, 2024. The precision of online polls is measured using a credibility interval. In this case, the results are considered to within +/- 5.6 percentage points, 19 times out of 20, of what the results would have been had all Prince Edward Island adults been surveyed.

calculation that factors in the cost to manage the collection and responsible recycling of each battery by specific type. The EHF schedule is available [here](#).

Call2Recycle collected EHF's from members who reported sales of these batteries in Prince Edward Island between January 1 and December 31, 2023. Please see [Appendix C](#) for Call2Recycle's audited financial statements.

## 8. Organizational Reports

### 8.1 Revenue & Expense

**Call2Recycle Canada, Inc.  
Statement of Revenue and Expense – Prince Edward Island  
For the Year-ended December 31, 20223**

#### Revenue

<b>Steward Fees</b>	\$188,879
<b>Total Revenue</b>	<b>\$188,879</b>

#### Expense

<b>Material Management &amp; Processing</b>	\$197,811
<b>Consumer awareness &amp; Communications</b>	\$54,906
<b>Other (Salary, Professional, Admin)</b>	\$73,945
<b>Total Expense</b>	<b>\$326,662</b>
<b>Excess Revenue over Expense</b>	<b>-\$137,783</b>

**Call2Recycle Canada, Inc.  
Sales into the market in kgs – Prince Edward Island 2023**

<b>Primary</b>	70,882
<b>Rechargeable</b>	29,837
<b>Total Kgs</b>	<b>100,719</b>

To view Call2Recycle's 2023 Corporate Annual Report visit: <http://www.call2recycle.ca/annual-report/>.

Call2Recycle Canada's Audited Financial Statement is included as [Appendix C](#) to this document and can also be found in the 2023 Annual Report.

## Appendix A – Board of Directors

**As of December 31, 2023**

Call2Recycle Canada, Inc.'s Board of Directors is comprised of:

**Norman Clubb, Chair**, Independent

**Joe Borsellino**, Chateau Manis Electronics Inc.

**Annalise Czerny**, Independent

**Peter Daley**, Dollarama Inc.

**Tammy Giroux**, General Motors of Canada

**Raman Johal**, London Drugs Ltd.

**James McPhedran**, Independent

**Alan Moyer**, Independent

**Kevin Rejent**, Energizer Holdings, Inc.

**Tim Reuss**, Canadian Automobile Dealers Association

**Martin Tammik**, Live To Play Sports

**Harriet Velazquez**, Velazquez Consulting Inc. (Independent)

**David Ward**, Metro Ontario Inc.

## Appendix B – Call2Recycle Prince Edward Island Members

As of December 31, 2023

102100 PEI Inc. dba Sherwood Timber  
Acer America Corporation  
ACS Distributing  
Aimlite Lighting Products  
Amazon.com.ca, Inc.  
Apple Canada Inc  
Battery Canada  
BDI, a division of Bell Mobility In  
Best Buy Canada Ltd. 1000  
Bike Co LLC  
BISSELL Canada Corporation  
Bose Limited  
Canada Computers Inc  
Canadian Tire Corporation, Ltd  
Canon Canada Inc  
Cardinal Health Canada Inc.  
Century Optronic Inc.  
Cervelo Cycles Inc.  
Chateau Manis Electronics  
Costco Wholesale Canada Ltd  
Couche-Tard Inc.  
Cycles Devinci Inc.  
Cycles Lambert Inc./HLC  
D'Amour Bicycle & Sports Inc.  
Dell Canada Inc.  
Dollarama L.P.  
Dynabook Canada Inc  
Dyson Canada Limited  
East Penn Canada  
ECHO Power Equipment (Canada)  
Epic Cycles Inc.  
EUCAN Distribution Inc.  
Fastenal Canada, Ltd. ON100  
FERMETCO INC.  
FGL  
Furniture de Bureau Denis Inc.  
FuturPlus Division of Cathelle Inc.  
Gazelle USA, LLC  
GE Healthcare Canada, Inc.  
Giant Bicycle Canada Inc.  
Giant Tiger Stores Limited  
Google Canada Corporation  
Grand & Toy Ltd.  
Green Light Cycle Ltd.  
Grin Technologies Ltd.  
Groupe BBH Inc.  
Groupe BMR Inc.  
Guillevin International Cie  
HAWTHORNE CANADA LIMITED  
Hilti Canada Corporation  
Hitfar Concepts Ltd.  
Home Hardware Stores Limited  
HRS Global  
Hudsons Bay Company  
Husqvarna AB  
IKEA Supply AG  
ILINK Industries Ltd  
Imperial Dade Canada Inc.  
Indigo Books and Music Inc  
Isaac Instruments Inc.  
John Deere Canada ULC  
Kay's Wholesale  
Kona Canada, The Bicycle Group (TBG)  
Kranked Bikes  
Lee Valley Tools Ltd  
Lego Brand Retail  
Lenovo (Canada) Inc.  
Les Pièces d'Auto Transit Inc  
Live to Play Sports Group Inc.  
Loblaws Inc.  
Louis Garneau Sports Inc.  
M.F. Schurman Company Ltd  
Marin Bikes Canada  
Mark's / L'Equipeur  
McKesson Canada  
Mica Sport Canada Inc.  
Michaels Stores Inc.  
Microsoft Corporation  
Miele Canada  
Mountain Equipment Company Ltd  
MSA Safety Sales LLC  
Nikon Canada Inc  
O'Leary Building Centre (Castle)  
On the edge Canada Inc



Onlybatteries.com - Technologies Duslan Inc  
Oracle Canada ULC  
Orgill Inc  
Outdoor Gear Canada  
Praxis Works  
Premier Tech Ltd.  
Prime Deals International Ltd  
Princess Auto Ltd  
Rad Power Bikes LLC  
Rexel Atlantique  
Rexel Canada Electrical Inc  
Riese & Müller GmbH  
Robert Bosch Tool Corporation  
Rocky Mountain, Div. of Industries RAD Inc.  
(Procycle)  
S.P.Richards Co. Canada, Inc.  
Santa Cruz Bicycles, LLC  
Scotts Canada Ltd.  
SharkNinja Operating LLC  
Shimano Canada LTD  
Shopper+Inc  
Shoppers Drug Mart Inc  
Snap-On Tools of Canada Ltd  
Sobeys Capital Inc  
Sonos Inc.  
Specialized Bicycle Components Canada  
Spring Valley Building  
Standard Products Inc.  
Staples Canada ULC  
Staples Professional, Inc.  
Steelcase Canada Ltd  
Stihl Limited  
T-Zone Health Inc.  
TD SYNnex CANADA ULC  
TELUS Mobility  
Tenaquip Limited  
The Home Depot of Canada, Inc.  
The Source (Bell) Electronics Inc.  
The Stevens Medical Company  
Toys R Us Canada, LTD  
Trek Bicycle Canada ULC  
UAP Inc  
Uline Canada Corporation  
Ultralife Corporation  
Uni-Select Canada Inc.  
Velec Inc.  
Veritas Technologies LLC  
Voltage Bikes Ltd. (Pedego Can)  
Walmart Canada  
Wisdom Electronics Inc  
Wurth Canada Limited  
Yamaha Motor Canada  
Yeti Cycling LLC.

## Appendix C – Audited Financial Statement

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Call2Recycle Canada, Inc.  
Financial Statements  
For the Year Ended December 31, 2023

Call2Recycle Canada, Inc.  
Financial Statements  
For the Year Ended December 31, 2023

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BDO Canada LLP  
222 Bay Street  
Suite 2200  
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## Independent Auditor's Report

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To the Members of  
Call2Recycle Canada, Inc.

### Opinion

We have audited the financial statements of Call2Recycle Canada, Inc. (the "Entity"), which comprise the statement of financial position as at December 31, 2023, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2023, and its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.



## Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*BDO Canada LLP*

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario  
June 14, 2024

Call2Recycle Canada, Inc.  
Statement of Financial Position

December 31	2023	2022
<b>Assets</b>		
Cash (Note 2)	\$ 2,141,682	\$ 4,310,012
Accounts receivable	5,709,862	7,002,393
Marketable securities (Note 3)	29,250,959	30,757,685
Other assets	540,795	423,241
	\$ 37,643,298	\$ 42,493,331
<b>Liabilities and Net Assets</b>		
Accounts payable and accrued liabilities (Notes 4 & 7)	\$ 5,711,095	\$ 5,602,513
<b>Unrestricted Net Assets</b>		
Undesignated	8,969,026	8,609,662
Board Designated (Note 5)	22,963,177	28,281,156
	31,932,203	36,890,818
	\$ 37,643,298	\$ 42,493,331

The accompanying notes and schedules are an integral part of these financial statements.



Call2Recycle Canada, Inc.  
Statement of Changes in Net Assets

For the year ended December 31	Undesignated	Board Designated	2023 Total	2022 Total
Balance, beginning of the year	\$ 8,609,662	\$28,281,156	\$36,890,818	\$ 31,702,296
Excess (deficiency) of revenues over expenses	359,364	(5,317,979)	(4,958,615)	5,188,522
Balance, end of the year	\$ 8,969,026	\$22,963,177	\$31,932,203	\$ 36,890,818

The accompanying notes and schedules are an integral part of these financial statements.

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Call2Recycle Canada, Inc.  
Statement of Operations

For the year ended December 31	2023	2022
Revenues		
Steward fees	\$27,508,479	\$ 30,800,753
Investment income (loss)	1,850,542	(1,919,471)
Other	240,177	10,820
	<u>29,599,198</u>	<u>28,892,102</u>
Expenses		
Material management and processing	22,742,710	15,484,337
Public education and awareness	5,017,534	2,393,491
Other (salary, professional, administrative)	6,797,569	5,825,752
	<u>34,557,813</u>	<u>23,703,580</u>
Excess (deficiency) of revenues over expenses	<u>\$ (4,958,615)</u>	<u>\$ 5,188,522</u>

The accompanying notes and schedules are an integral part of these financial statements.

Call2Recycle Canada, Inc.  
Statement of Cash Flows

For the year ended December 31	2023	2022
Cash flows from operating activities:		
Excess (deficiency) of revenues over expenses	\$ (4,958,615)	\$ 5,188,522
Items not affecting cash:		
Net realized and unrealized (gain) loss on investments	(1,028,928)	2,273,338
	(5,987,543)	7,461,860
Changes in non-cash working capital:		
Accounts receivable	1,292,531	(285,405)
Accounts payable and accrued liabilities	108,582	1,853,719
Other assets	(117,554)	(3,393)
	(4,703,984)	9,026,781
Cash flows from investing activities:		
Marketable securities	2,535,654	(5,817,277)
Net (decrease) increase in cash	(2,168,330)	3,209,504
Cash, beginning of the year	4,310,012	1,100,508
Cash, end of the year	\$ 2,141,682	\$ 4,310,012

The accompanying notes and schedules are an integral part of these financial statements.

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# Call2Recycle Canada, Inc.

## Notes to Financial Statements

December 31, 2023

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### 1. Significant Accounting Policies

#### Nature and Purpose of Operations

Call2Recycle Canada, Inc. (the "Entity") is a not-for-profit organization formed on January 1, 2017. The Entity's head office is registered in Toronto Ontario, and conducts its operations throughout all of Canada.

The Entity's purpose is to promote social welfare by addressing environmental concerns related to the recycling or proper disposal of consumer batteries. The Entity operates battery collection and recycling programs and educates the public with respect to the proper disposal and recycling of batteries.

The Entity seeks to be the leader in the environmentally sound collection, transportation and recycling of batteries. The Entity is committed to a cleaner, healthier environment through public education on battery recycling. All aspects of the Entity's business are conducted in an environmentally sensitive manner, as the Entity is convinced that sound environmental product stewardship and sound business practices go hand in hand.

The Entity is exempt from income tax under Section 149(1) of the Income Tax Act (Canada).

#### Basis of Accounting

The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.

#### Revenue Recognition

The Entity follows the deferral method of accounting for revenues.

Unrestricted revenues are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted revenues are recognized as revenue in the year in which the related expenses are incurred.

Steward fees are received from legally obligated stewards in 6 regulated provinces (QC, ONT, BC, MB, PEI, and SK), and from non-legally obligated battery manufacturers in all other jurisdictions based on sales into those jurisdictions. The Entity recognizes these fees as revenue in the year that battery units are sold by the stewards to consumers and businesses.

The costs of the corresponding collection and recycling for some of these batteries may occur in future years, and those associated costs are reported as expenses of the Entity in the year that they are incurred. Call2Recycle Canada, Inc. is committed to the collection and recycling of these batteries.

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Call2Recycle Canada, Inc.  
Notes to Financial Statements

December 31, 2023

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1. Significant Accounting Policies (continued)

Revenue Recognition - Continued	<p>Unrestricted net investment income is recognized as revenue when earned.</p> <p>Unrestricted revenues from the sales of recycled materials are recognized in income when the recovered materials are sold and the amount to be recovered can be estimated and collection is reasonable assured.</p>
Financial Instruments	<p>Financial instruments are recorded at fair value at initial recognition.</p> <p>In subsequent periods, equities traded in an active market and derivatives are reported at fair value, with any change in fair value reported in income. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items measured at fair value.</p> <p>Financial assets are tested for impairment when indicators of impairment exist. When a significant change in the expected timing or amount of the future cash flows of the financial asset is identified, the carrying amount of the financial asset is reduced and the amount of the write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement, provided it is not greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously, and the amount of the reversal is recognized in net income.</p>
Use of Estimates	<p>The preparation of the financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Items subject to such estimates and assumptions include:</p> <ul style="list-style-type: none"><li>- accrued expenses</li><li>- allocation of expenses</li><li>- allowance for doubtful accounts</li></ul>
Accounts Receivable	<p>Uncollectable amounts receivable are written off at the time the accounts are determined to be uncollectable. There is no allowance for doubtful accounts at December 31, 2023 as management of the Entity considers any possible bad debts to be negligible.</p>
Expenses	<p>Material management and processing costs are recorded when the collection and processing services (freight, handling, recycling of materials) has been provided. Other expenditures are recognized as incurred.</p>

## Call2Recycle Canada, Inc. Notes to Financial Statements

December 31, 2023

### 2. Cash

The Entity maintains the majority of its cash balance in a Canadian financial institution. The Canada Deposit Insurance Corporation (CDIC) insures this account up to \$100,000 for this financial institution. From time to time the aggregate funds held in this institution may exceed the CDIC insured limits and may not be covered by CDIC insurance. Management does not anticipate any material effect on the financial position of the Entity as a result of this concentration.

### 3. Marketable Securities

The carrying amounts of investments are comprised of the following:

	2023	2022
At fair value:		
Cash held for long-term investment	\$ 867,359	\$ 3,880,247
Equity investments	8,550,052	8,097,565
Bonds	17,451,919	16,371,604
Real estate	1,335,543	1,497,309
Hedge fund investments	920,999	910,960
Precious metals and commodities	125,087	-
	\$29,250,959	\$ 30,757,685

### 4. Government Remittances

Included in accounts payable and accrued liabilities are government remittances payable of \$147,899 (2022 - \$939,627).

### 5. Board Designated Net Assets

The Entity's governing board has designated \$22,963,177 (2022 - \$28,281,156) as of December 31, 2023 for future use in the regulated provinces of Quebec, Ontario, British Columbia, Manitoba, Prince Edward Island, and Saskatchewan. The designated balances by regulated province are as follows:

	2023	2022
Quebec	\$12,035,871	\$ 13,740,887
Ontario	(244,067)	3,901,162
British Columbia	8,175,136	7,605,178
Manitoba	2,388,515	2,450,110
Prince Edward Island	(181,468)	(43,685)
Saskatchewan	789,190	627,504
	\$22,963,177	\$ 28,281,156
Total		

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Call2Recycle Canada, Inc.  
Notes to Financial Statements

December 31, 2023

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6. Allocation of Expenses

Expenses are charged directly to their respective jurisdiction based on actual costs as incurred. When expenses are not identified to a specific jurisdiction, but benefit all jurisdictions, they are allocated among the jurisdictions based on the Entity's allocation methodology. Collections and processing costs are allocated based on battery collections for each jurisdiction. Salary and benefits are allocated based on employee time allocation by jurisdiction. Other expenses, including professional fees, general marketing, communication and promotion, shared service costs, office supplies, and occupancy, which cannot be identified with a specific jurisdiction are allocated based on the total population at the end of the year in the jurisdiction.

7. Significant Contractual Arrangements

The Entity is governed by a Board of Directors that is separate and independent of its former parent entity, but continues to contract accounting and managerial services from Call2Recycle, Inc. US. Fees paid for contracted services to Call2Recycle, Inc. US for 2023 were CDN \$1,075,586 (2022 - \$1,719,056). This fee is assessed to the Entity net of a US \$272,187 (2022 - \$143,440) fee recovery collected by Call2Recycle, Inc. US for battery sale license fees collected from US battery companies who are selling into certain Canadian markets. Included in accounts payable and accrued liabilities is CDN \$199,742 (2022 - \$145,246) in respect of these contracted services.

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Call2Recycle Canada, Inc.  
Notes to Financial Statements

December 31, 2023

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8. Financial Instruments

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Entity is exposed to credit risk resulting from the possibility that the registrants of the Entity defaults on their financial obligations; if there is a concentration of transactions carried out with the same counterparty; or of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions. The Entity's financial instruments that are exposed to concentrations of credit risk relate primarily to its accounts receivable. The Entity's registrants are numerous and diverse, which reduces the concentration of risk. Management closely evaluates the collectibility to mitigate this risk.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

The Entity is exposed to financial risk that arises from fluctuations in the sale of recyclable batteries and consumer electronic products. This risk is minimized by an expected corresponding decrease in program delivery and recycling process expenses and by the regulations established by the respective Department of the Environment in each jurisdiction in which the Entity operates.

The Entity is exposed to market risk through its investment in marketable securities, the value of which changes through fluctuations in market values. The investment policies of the Entity are designed to mitigate this risk through diversification of the portfolio.

Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Entity is exposed to currency risk as a result of its significant contractual arrangement for accounting and managerial services with a US organization and its stock portfolio holdings denominated in US currency.



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Call2Recycle Canada, Inc.  
Notes to Financial Statements

December 31, 2023

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9. Commitments

The Entity has entered into various lease commitments for building rentals. Expected payments over the next five years are as follows:

	2024	2025	2026	2027	2028
Quebec	\$ 35,496	\$ 37,933	\$ 3,178	\$ -	\$ -
British Columbia	29,596	20,536	-	-	-
Ontario	110,909	111,644	111,644	113,848	114,582
	<u>\$ 176,001</u>	<u>\$ 170,113</u>	<u>\$ 114,822</u>	<u>\$ 113,848</u>	<u>\$ 114,582</u>

10. Contingencies

During fiscal 2021, the Entity conducted reviews of various service providers in the Province of Ontario who collected recyclable materials on behalf of the Entity. As a result of the reviews, certain service providers had their contracts terminated for non-compliance with program requirements.

At the time of the terminations one service provider had previously submitted invoices to the Entity for materials collected in the amount of \$1.4 million which are included in accounts payable. Subsequent to the date of termination of the agreement, no further materials have been accepted from the service provider and no further payments have been made against the outstanding accounts payable balance.

Upon termination of the agreement the Entity has demanded a refund of prior amounts paid to the service provider based upon the observations made in its compliance reviews.

In addition to the \$1.4 million in accounts payable in dispute, the service provider has filed a claim for an additional \$10.5 million in costs plus damages. The Entity in turn has filed a claim for \$5.2 million in damages plus interest and costs.

Management is not able to estimate the likelihood of either any recovery or losses as the outcome of this matter and therefore no further provisions have been made in these financial statements. Any gains or losses will be recorded at the time they become known.

The Entity is subject to other possible legal claims of which the legitimacy or magnitude cannot be determined at this time. As management is not able to estimate the likelihood of any loss at this time, no provision for these claims have been made in these financial statements. Any loss will be recorded at the time they become known.

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Call2Recycle Canada, Inc.  
Schedule of Operations - Prince Edward Island

For the year ended December 31	2023	2022
<b>Revenue</b>		
Steward fees	\$ 188,879	\$ 205,657
<b>Expenses</b>		
Material management and processing	197,811	157,730
Public education and awareness	54,906	22,799
Other (salary, professional, administrative)	73,945	33,362
	326,662	213,891
Deficiency of revenue over expenses	(137,783)	(8,234)
Deficiency, beginning of year	(43,685)	(35,451)
Deficiency, end of year	\$ (181,468)	\$ (43,685)